

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., <i>et al.</i>, Debtors.	§ § § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (KJC)
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**FEE AUDITOR’S FINAL REPORT REGARDING THE FINAL
FEES AND EXPENSES OF DUFF & PHELPS, LLC, FOR THE
PERIOD OF NOVEMBER 1, 2003 THROUGH APRIL 30, 2004**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the final fees and expenses of Duff & Phelps, LLC.

BACKGROUND

1. Duff & Phelps, LLC (“Duff & Phelps”), was retained as financial advisor to the State Street Bank and Trust Company as Investment Manager and Fiduciary of the Grace Stock Within the Grace Savings & Investment Plan. Duff & Phelps did not file a final fee application in these cases, however, we were asked by debtors’ counsel to perform a final review of Duff & Phelps’ fees and expenses. During the course of its work on the case, Duff & Phelps sought and obtained interim approval for fees totaling \$100,000.00 and expenses totaling \$11,442.93 for its services from November 1, 2003 through April 30, 2004 (the “Final Application Period”). Our recommendations are contingent upon there being no objection by the Court or the United States Trustee to final approval of Duff & Phelps’ fees and expenses.

2. In the course of conducting our original audit and reaching the conclusions and

recommendations contained in our interim final reports, we reviewed in detail the prior interim applications listed below in their entirety, including each of the time and expense entries included in the exhibits to those applications, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”),¹ and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals.

DISCUSSION

Prior Interim Applications

3. We note that we previously filed the following final reports for Duff & Phelps’ prior interim applications, which final reports we incorporate by reference herein, and we also note the following orders that ruled on Duff & Phelps’ prior interim fee applications:

11th Period: Fee Auditor’s Final Report Regarding Fee Application of Duff & Phelps, LLC for the Eleventh Interim Period (Docket #5658), filed on or about May 28, 2004, in which we recommended approval of fees totaling \$50,000.00 and expenses totaling \$9,026.02. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Eleventh Period, dated June 16, 2004 (Docket #5822).

¹We relied upon the version of the Local Rules with the effective date of February 1, 2001 in our review of the interim applications.

12th Period: Fee Auditor's Final Report Regarding Fee Application of Duff & Phelps, LLC for the Twelfth Interim Period (Docket #6106), filed on or about August 2, 2004, in which we recommended approval of fees totaling \$50,000.00 and expenses totaling \$2,416.91. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twelfth Period, dated September 27, 2004 (Docket #6465).

4. We have reviewed the final reports and orders allowing fees and expenses for the prior interim periods, and we do not believe there is any reason to change any of the amounts awarded for the prior interim periods.

CONCLUSION

5. Thus, we recommend final approval of \$100,000.00 in fees and \$11,442.93 in expenses for Duff & Phelps' services for the Final Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.



By: _____

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FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 7th day of August, 2014.



Warren H. Smith

SERVICE LIST

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²This is the most recent contact information we have for the applicant.

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